

## ISDH Annual Fiscal Report of a Nonprofit Acute Care Hospital

**Hospital: St. Margaret Mercy Healthcare Center South**

Year: 2003 City: Dyer Peer Group: Medium

**Statement One: Summary of Revenue and Expenses**

<b>1. Gross Patient Service Revenue</b>		<b>4. Operating Expenses</b>	
Inpatient Patient Service Revenue	\$97,828,544	Salaries and Wages	\$37,720,662
Outpatient Patient Service Revenue	\$71,829,755	Employee Benefits and Taxes	\$11,021,205
Total Gross Patient Service Revenue	\$169,658,299	Depreciation and Amortization	\$6,986,846
<b>2. Deductions from Revenue</b>		Interest Expenses	\$1,892,455
Contractual Allowances	\$79,123,176	Bad Debt	\$2,242,910
Other Deductions	\$4,241,032	Other Expenses	\$28,519,013
Total Deductions	\$83,364,208	Total Operating Expenses	\$88,383,091
<b>3. Total Operating Revenue</b>		<b>5. Net Revenue and Expenses</b>	
Net Patient Service Revenue	\$86,294,091	Net Operating Revenue over Expenses	\$550,018
Other Operating Revenue	\$2,639,017	Net Non-operating Gains over Losses	\$177,546
		Total Net Gain over Loss	\$727,564

Total Operating Revenue	\$88,933,108
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6. Assets and Liabilities	
Total Assets	\$69,953,616
Total Liabilities	\$14,866,881

Statement Two: Contractual Allowances			
Revenue Source	Gross Patient Revenue	Contractual Allowances	Net Patient Service Revenue
Medicare	\$66,273,708	\$42,630,478	\$23,643,230
Medicaid	\$13,682,237	\$9,982,610	\$3,699,627
Other State	\$0	\$0	\$0
Local Government	\$0	\$0	\$0
Commercial Insurance	\$89,702,354	\$30,751,130	\$58,951,234
Total	\$169,658,299	\$83,364,208	\$86,294,091

Statement Three: Unique Specialized Hospital Funds			
Fund Category	Estimated Incoming Revenue from Others	Estimated Outgoing Expenses to Others	Net Dollar Gain or Loss after Adjustment
Donations	\$21,000	\$11,263	\$9,737

Educational	\$2,195	\$485,234	(\$483,039)
Research	\$0	\$0	\$0

<b>Number of individuals estimated by this hospital that are involved in education</b>	
Number of Medical Professionals Trained In This Hospital	842
Number of Hospital Patients Educated In This Hospital	162,522
Number of Citizens Exposed to Health Education Message	487,269

**Statement Four**  
**Annual Summarized Community Benefit Statement on Nonprofit Hospital**

This hospital is a nonprofit organization and files an annual community benefit statement with the Department under Indiana Code 16-21-9. Each nonprofit hospital must confirm its mission statement, document the number of persons and dollars allocated under its adopted charity care policy, and describe the progress of the community to achieve specific objectives set by the hospital.

<b>County Location</b>	Lake	<b>Community Served</b>	Lake County
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**Hospital Mission Statement**

Respect life; promote the dignity and wholeness of all those we serve, and responding to community needs within the limits of our resources through the provision of a comprehensive range of quality health care services.

<b>Unique Services</b>	<b>Type of Initiatives</b>	<b>Document Available</b>

Medical Research	NO	Disease Detection	NO	Community Plan	YES
Professional Education	NO	Practitioner Education	NO	Annual Statement	NO
Community Education	YES	Clinic Support	YES	Needs Assessment	1997

### **Allocation of Dollars and Persons Served under Adopted Charity Policy**

Most nonprofit hospitals adopt a charity benefit policy to serve the medically indigent. On an annual basis, the hospital will confirm the eligibility and set aside dollars to ensure low-income persons can be offered needed inpatient and outpatient hospital services.

	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Persons served in last twelve months</b>	4,436	NR	NR
<b>Charity Care Allocation</b>	(\$10,522,201)	(\$5,499,980)	(\$2,209,356)

### **Hospital Community Benefit Projects and the Projects' Net Cost**

On an annual basis, all nonprofit hospitals will report on the progress that the local community has made in reducing the incidence of disease and improving the delivery of health services in the community.

<b>Name of Program and Description of Progress Made in Achieving Annual Objectives</b>	<b>Net Costs of Programs</b>
All programs	(\$557,441)

### **Summary of Unreimbursed Costs of Charity Care, Government Funded Programs, and Community Benefits**

Based on uniform definitions of costs, each nonprofit hospital must identify the costs of serving its community that are not reimbursed by government and other third party payers.

Specialized Programs	Unreimbursed Costs
1. Total unreimbursed costs of providing care to patients unable to pay, to patients covered under government funded programs, and for medical education, training.	(\$2,209,356)
2. Community Health Education	(\$337,486)
3. Community Programs and Services	(\$557,441)
4. Other Unreimbursed Costs	\$0
5. Total Costs of Providing Community Benefits	(\$3,104,283)

**Identification of Additional Non-Hospital Charity Costs**

In addition, some hospitals will have non-hospital organizations under its ISDH license are providing community benefits in this fiscal year.

Organization Providing Charity Care	Net Costs of Care
None	\$0

**For further information on these initiatives, contact:**

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**ISDH STATISTICAL COMPARISON BETWEEN THIS HOSPITAL  
AND OTHER HOSPITALS IN ITS PEER GROUP**

<b>PERFORMANCE INDICATOR</b>	<b>METHODOLOGY</b>	<b>THIS HOSPITAL'S RESULTS</b>	<b>PEER GROUP AVERAGE</b>
1. # of FTE's	Number of Full Time Equivalents	842	645
2. % of Salary	Salary Expenses divided by Total Expenses	42.7%	39.7%
3. Average Daily Census	Patient Days divided by annual days (365 days)	77.8	58.6
4. Average Length of Stay	Number of Patient Days divided by the Number of Discharges	5.2	4.3
5. Price for Medical/Surgical per stay	Total Medical/Surgical charges divided by Medical/ Surgical discharges	\$3,473	\$4,378
6. Gross Price per Discharge	Gross Inpatient Revenue divided by the Total Discharges	\$18,010	\$11,927
7. Outpatient Revenue Percentage	Outpatient Revenue divided by the Gross Total Revenue	42.3%	52.3%

8. Gross Price per Visit	Gross Outpatient Revenue divided by the Total Outpatient Visits	\$1,444	\$847
9. % of Medicare	Medicare Revenue divided by the Gross Patient Revenue	39.1%	43.1%
10. % of Bad Debt	Bad Debt Expense divided by the Gross Operating Expenses	2.5%	5.5%
11. Charity Allocation	Unreimbursed costs of providing services to patients under adopted charity policy	(\$2,209,356)	(\$1,065,673)
12. Net Margin	Excess of Revenue over Expenses divided by the Total Operating Revenue	0.6	5.0

Notes:

1. NR = Not Reported
2. See Statewide Results for definitions of terms.